Strasbourg plenary session, 18-21 October 2010

- UN Secretary-General Ban Ki-moon to address Parliament
- Mid-term speech by Parliament's Jerzy Buzek

As the European Parliament holds its October session in Strasbourg a crucial vote on the 2011 EU budget will be on the agenda. This will determine levels of funding for things like research and investing in creating jobs across Europe. The week also sees MEPs take a crucial step regarding the EU’s External Action Service when they vote on its proposed budget.

The House will also have addresses by UN Secretary-General Ban Ki-moon and Parliament's President Jerzy Buzek who will mark the half way term of his mandate with his ideas for the future.

Steps on the financial crisis and a proposed law to limit payment periods to a maximum of 30 days will also be among the week's news. You can follow all the debates and votes from the European Parliament here online.
Newsletter - Strasbourg plenary session

- 2011 budget: MEPs seek talks on new sources of funding
- 20 weeks’ maternity leave on full pay?

2011 budget: MEPs seek talks on new sources of funding

MEPs are set to call for more investment in research, innovation, education, energy and support for Palestine, but are expected to keep a restrictive overall spending level, when they vote on next year’s EU budget on Wednesday. They also wish to open talks on the current long-term budget framework and new ways of funding the budget.

20 weeks’ maternity leave on full pay?

A proposal by the Women’s Rights Committee to extend minimum maternity leave in the EU from 14 to 20 weeks, with full pay, will be put to a plenary vote in Strasbourg on Wednesday. MEPs also want to introduce a right for fathers to take at least two weeks of paid paternity leave.

EEAS: accountability and balanced recruitment

The European External Action Service (EEAS) will move a step closer to starting work if MEPs in Strasbourg adopt the amendments needed to the EU budget and staff rules and also modify the 2010 budget.

Late payments: 30 days to pay a bill

A perennial problem facing small companies is the late payment of their bills. For over a year the European Parliament has pushed to ensure stricter, clear-cut rules on payment periods to improve business solvency and boost innovation and jobs. The House will be asked on Wednesday to endorse a deal reached with the Council setting down a standard 30-day deadline for payment.

Mid-term review by President Jerzy Buzek

As he reaches the mid-way point of his two-and-a-half-year term of office (July 2009-January 2012), Parliament’s President Jerzy Buzek will review progress made on the priorities he outlined at the start of his mandate. His assessment will be delivered at a formal sitting of the House on Wednesday at noon.

UN Secretary-General Ban Ki-moon to address Parliament

UN Secretary-General Ban Ki-moon will address a formal sitting of Parliament on Tuesday, when he is expected to speak about the Millennium Development Goals, the fight against poverty and climate change issues facing the world ahead of the Cancún conference in December.

The financial crisis and beyond

The current financial turmoil will once again come under the spotlight next week when Parliament votes on two non-legislative reports suggesting what lessons can be learnt from the crisis.

An EU-wide minimum income to combat poverty

With the annual UN Eradication of Poverty Day taking place on 17 October, and 2010 designated as European Year against Poverty, MEPs will debate and vote on a resolution calling for an EU-wide minimum income.

Gearing up for the G20 and the European Council

The upcoming European Council in October and the G20 summit in November will be discussed by MEPs in Strasbourg with the Council Presidency and Commission. The European Council agenda will include EU economic governance, the 2011 budget, the G20 and climate change, most of these topics featuring prominently on this week’s plenary agenda.

Sakharov Prize 2010: three finalists and winner to be chosen in Strasbourg
The three finalists for this year's Sakharov Prize for Freedom of Thought will be selected on Monday by the EP Foreign Affairs and Development Committees. Parliament's political group leaders will choose the winner on Thursday. The award ceremony takes place in Strasbourg on 15 December.
Paid maternity leave - should it be extended or not?

Provisions and rules governing maternity leave differ among the EU-members. This week MEPs are set to examine a proposal which aims to improve the health and safety of pregnant workers. Key issues are how long should minimum maternity leave be? Should the leave be fully paid? Should fathers be given the right to stay home 2 weeks with their newborn children? The EP debates the issues on Monday and a vote is scheduled for Wednesday.

The Committee on Women's Rights and Gender Equality propose an extension of minimum fully paid maternity leave to 20 weeks - including 6 weeks minimum post-natal leave. They also want 2 weeks minimum paternity leave.

The initial Commission proposal from 2008 is to extend the current minimum of 14 weeks to 18 weeks, 6 of which would have to be taken after childbirth.

The Commission proposal recommends women are paid 100 % of their salary during this time. However, it did not propose making full payment mandatory but simply said it should not be below the rate of sick-leave payments.

Portuguese Socialist Edite Estrela is the Parliament's rapporteur on the issue. She wants to extend the minimum period leave to 20 weeks with full pay. She believes that 20 weeks' leave would be appropriate to the extent that it would give women time to recover from their confinement, encourage breastfeeding, and enable a mother to forge a strong bond with her child.

Different viewpoints - cultural (different national systems), ideological, and political - have led to debate on the proposals. A first report on this directive on the improvements in the safety and health at work of pregnant workers was referred back to the committee by the plenary on 6 May 2009. After the vote in committee in February 2010, MEPs in the Women's Rights Committee and MEPs in the Employment Committee requested an impact assessment on the costs and benefits of amendments they have tabled.

On October 5 2010 MEPs and experts had a chance to exchange views on an impact assessment (by outside consultancy). It shows that costs per birth would vary between €0 and €5000 depending on the Member State due to differing starting points for payment of allowances and differing lengths of leave.

Speaking in the workshop Dutch Green MEP Marije Cornelissen said that "costs come in nice clean figures while benefits do not".

British MEP Marina Yannakoudakis (ECR) and British Liberal Ms Elizabeth Lynne (ALDE) voiced concern in the October workshop about the draft law's possible impact on women's employment opportunities and especially on employer's attitudes to employing young women.

For paternity leave, Estrela's report calls for a minimum of 2 weeks fully paid leave for fathers to promote shared responsibilities between men and women as well as conciliation of professional and private life. So far there are no rules on paternity leave on EU level. MEPs who opposed this provision argue that paternity leave lies outside the scope of this legislation, which covers the "health and safety of pregnant women".

The law proposal also addresses other issues to protect and ensure safety at work for pregnant and breastfeeding workers, among others: prohibition of dismissal following the end of maternity leave to six months, provisions on night work and overtime and adoption leave. The debate is being held Monday and the vote Wednesday.
The fight against poverty is centre stage this week with a series of initiatives to focus on the problem. In this, the European year of combating poverty, UN Secretary General Ban Ki-moon will address the European Parliament Tuesday. He is expected to focus on progress towards the Millennium Development Goals on poverty and health which are supposed to be met by 2015. A blue-ribbon will also be launched to draw people’s attention to the problem.

Call for EU-wide minimum income

Portuguese MEP Ilda Figueiredo (GUE/NGL) has also prepared a non-legislative report calling on the European Commission to bring forward a draft EU framework law on a minimum income which should be pitched at 60% of the median income of the country concerned (draft resolution).

However, the Parliament's Employment Committee was divided in this question, the Socialist and Democrats Group abstained in the committee vote. The debate and vote will be held on Tuesday, 19 October.

Blue ribbon campaign

UN Secretary General Ban Ki-moon and Parliament's President Jerzy Buzek will on Tuesday launch a blue-ribbon campaign in Strasbourg to symbolise the fight against poverty.

The blue ribbon represents Parliament's fight against poverty and social exclusion. Many MEPs are expected to wear the ribbon throughout the session.

Ban Ki-moon on poverty

At Tuesday midday, the plenary will be addressed by Ban Ki-moon, who is expected to talk about the UN's Millennium Development Goals (MDGs), climate change and micro financing to lift people out of poverty as part of the goals.

Report on crisis

On Wednesday the mid-term report drafted by French Socialist MEP Pervenche Bérès of the Special Committee on the Financial, Economic and Social Crisis will be debated and voted.

It calls for strong pan-European and global regulation and supervisory systems that leave no financial market, instrument or institution "off the record book".

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<th>Poverty</th>
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<td>• Poverty affects around 85 million people in EU</td>
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<td>• 17% of the population affected</td>
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<td>• Children &amp; young people particularly at risk</td>
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<td>• Older people also susceptible to poverty</td>
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Crucial debate and vote on External Action Service

• TUESDAY 19 - CRUCIAL DEBATE ON EU FOREIGN SERVICE
• WEDNESDAY 20; VOTE ON STAFF AND BUDGET ISSUES COULD CLEAR LAST HURDLE

This week will be a crucial one for the European Union nascent diplomatic corps - the European External Action Service - as a debate and crucial vote by MEPs could clear the last hurdle before it is established. The European Parliament has budgetary control over the service and thus MEPs have pushed to ensure that it will be independent and that its staff will be made up mainly of EU civil servants with diplomats from Europe's nations making up the last third.

The European External Action Service (EEAS) is the novelty of the Lisbon Treaty and aims to combine the external service of the European Commission, the European Council and then diplomats from national ministries. It will support the Foreign Policy High Representative Catherine Ashton who has been selected by EU governments to speak and coordinate the Union's foreign policy.

Budgetary and political accountability

In the long wrangle to set up the EEAS, MEPs have pushed it to have greater budgetary and political accountability to the European Parliament. Part of this has been an agreement that the Heads of some EU diplomatic missions abroad would appear before the Parliament's Foreign Affairs Committee.

As a number of changes to existing staffing and budgetary rules will need to be made to set up the EEAS, the Legal Affairs Committee will be voting Monday evening on some of these aspects.

The main debate takes place on Tuesday morning with a crucial vote set for Wednesday. A "yes" vote would clear the way for the External Service to be set up on 1 December.
Focus

Freedom of speech, poverty and human trafficking on Strasbourg agenda

- Buzek welcomes Nobel Peace Prize award to Liu Xiaobo
- Fight against poverty to feature

The award of the 2010 year Nobel Peace Prize to Chinese dissident Liu Xiaobo was warmly welcomed by EP President Jerzy Buzek as he opened this week's plenary session in Strasbourg. The need for more action to combat poverty as well as human trafficking were among other issues on the plenary agenda highlighted by the president, who also took the opportunity to draw attention to the mid-term address he will give to a formal sitting of the House on Wednesday.

The president hailed the award of this year's Nobel Peace Prize to imprisoned Chinese dissident Liu Xiaobo, pointing out that he was still in prison after having "fought peacefully for freedom of speech". Liu Xiaobo was sentenced to eleven years' imprisonment and two years' deprivation of political rights in December 2009. Mr Buzek called on China to release Liu Xiaobo and other human rights campaigners.

Following annual UN Eradication of Poverty Day yesterday, 17 October, and with 2010 designated as European Year against Poverty, the president announced that Parliament would be holding a series of events this week to highlight the problem of poverty. Mr Buzek and other MEPs were wearing a blue ribbon symbolising the campaign. UN Secretary General Ban Ki-Moon is expected to raise this issue in his speech to Parliament on Tuesday at noon, immediately following a plenary debate on the eradication of poverty. Mr Buzek invited MEPs to attend a special ceremony with Ban Ki-Moon tomorrow at 14.45 in the Geremek Agora.

The president then reminded the House that "Today, for the fourth time, we commemorate European Day against Human Trafficking" and said the EU was envisaging legislation to help eradicate this problem.

Lastly, Mr Buzek drew attention to the mid-term report he will deliver on his own period in office, on Wednesday at noon. This will be a stock-taking exercise, to review what Parliament has achieved in the last 15 months. Mr Buzek was elected President of the European Parliament in July 2009 and his term expires in January 2012.

No changes were made to the week's agenda.
UN chief Ban Ki-moon at the European Parliament

- Fight against poverty & hunger highlighted
- Called for solidarity ahead of Cancun climate conference

UN Secretary-General Ban Ki-moon delivered a clear call to arms on fighting poverty, hunger and climate change when he addressed the EP Tuesday (19 October). He called for action on the Millennium Development Goals and for building trust between the developed and developing world at the forthcoming Cancun climate conference.

Welcoming Ban Ki-moon to the plenary, EP President Buzek said the need for the European Union to share the benefits and burdens of the challenges the world faces. Mr Ban began his speech by saying "today's world poses ever more global challenge that can only be addressed by a common effort of all nations and all people" he said. The UN Secretary-General also thanked the EU for all its financial and political support to the United Nations.

1 billion hungry every night

Mr Ban said that at a recent summit on Millennium Development Goals in New York countries had made strong commitments and now it was time to put them in practice. He mentioned the obstacles as stagnating global trade talks, subsidies, and rising prices for essential medicines. He urge MEPs to support the UN where action is urgently needed saying that "we can tighten belts without closing our eyes to common challenges".

He told the House that 1 billion people go to bed hungry every night and this year 64 million people fall in extreme poverty.

Climate change: build trust between developed and developing world

Turning to the question of climate change he said "the more we delay, the more we will have to pay in competitiveness, resources and human lives. We must reduce climate risks, strengthen our vigilance and support developing countries".

Referring to the forthcoming international conference in Cancun he said that "Governments must agree to make progress in the issues still unresolved". He called on all parties to show "flexibility, solidarity and courage to compromise. The health, security and prosperity of millions of people depend on it".

He also said there was a gap of trust between developed and developing world - "we need to break the gap through financial support" he stressed.

Mr Ban called on developed countries to provide their fair share of the $30 billion in fast-track financing pledged at the climate conference in Copenhagen for 2010-2012 to help developing countries adapt to climate change.

Nuclear disarmament

On Nuclear disarmament he called for the elimination of weapons of massive destructions and warned of the risk that nuclear materials could fall into the hands of terrorists.

In his speech Mr Ban also mentioned what he interpreted as the rising tide of hostility towards immigrants. He attacked people who exploited differences between peoples especially those who "play on people's fears; they seek to invoke liberal values for illiberal clauses, accusing migrants to violate European values".

He called on Europe to play a role in international politics saying that "the EU has been a historical engine of growth and change. It can be the locomotive driving the train forward. You can push and pull and keep us moving and get the train on the right track".
Hard hitting report on financial crisis debated Wednesday

- Proposes a system of financial supervision and regulation
- Emphasises the role of small and medium size businesses

Bank bailouts, financial speculation and unemployment - just some of the things we have seen over the last year. Wednesday the European Parliament debates a report by its Financial, Economic and Social crisis Committee on the recent turbulence. The report sets out ways of avoiding future problems in the financial markets and Europe’s economies. The cross-party report was drafted by French Socialist Pervenche Berès.

After the debate Members of the European Parliament will vote on a number of key proposals:

- To set up a system of financial supervision and regulation that leaves no financial transaction or financial instrument off the record books; and introduction of a financial transaction tax
- To entrust responsibility for economic and monetary affairs to one of the European Commission vice-presidents to oversee the economic, monetary and financial-market-related responsibilities of the Commission with coordinating other aspects of the Union’s economic activity.
- Acknowledge the internal market as the main driver of European growth; therefore, the EU 2020 strategy should serve as a program for strategic long-term investment and employment in order to face the economic crisis and strengthen the internal market.
- Fund research and innovation for the creation of new businesses and jobs
- Emphasises the role of small and medium size businesses as key generators of employment and allow them greater access to credit, provide funding whilst reducing public procurement bureaucracy.

Speaking ahead of the debate Ms Berès said, "Europe now has to translate into concrete acts the ambitious objectives of the EU 2020 strategy shaping its economic, social and environmental ambition for the next 10 years."

Sirpa Pietikäinen, spokeswoman for the centre right European People's Party on the issue said, "policymakers have the ultimate responsibility to their citizens on the good functioning of the financial market...The European Parliament has now clearly shown it will shoulder this responsibility, and work towards making European economic and financial regulation more stable and responsible."
MEPs call for EU-wide minimum income to combat poverty

Minimum income schemes should be introduced in all EU Member States to combat poverty, says a European Parliament resolution adopted on Wednesday. The resolution comes three days after the annual UN Eradication of Poverty Day (17 October) and as European Year against Poverty (2010) draws to a close.

Poverty affects around 85 million people, or 17% of the EU’s population. The risk of poverty is greater for children and young people up to 17 years of age (20%) than for the population as a whole. Older people (19%) also face a higher risk of poverty, says the resolution, which was drafted by Ilda Figueiredo (GUE/NGL, PT).

Minimum incomes

Minimum income schemes - consisting of financial support plus easier access to services for people on low incomes - are the most effective way to guarantee an adequate standard of living and foster social integration, says Parliament. Such schemes should be pitched at 60% of the median income of the country concerned. The Commission is asked to present an initiative in this area as a first step towards an EU action plan.

However, alternative resolutions tabled by the S&D, Greens/EFA and GUE/NGL groups calling for an EU framework law on a minimum income were not supported by the majority of Members in the House.

The working poor

MEPs also highlight the increasing number of working poor. They stress that a living wage must always be above the poverty threshold and that workers who remain below that threshold should receive top-ups that are unconditional.

Lastly, efforts must also be made on pay and minimum wage levels, says the resolution, since the poverty affecting people in employment implies inequitable working conditions.

Procedure: Own-initiative
Financial crisis continues to dominate EU agenda

European leaders meet four times a year to look at the big issues affecting the EU. Ahead of each meeting, the Commission President and the country heading the Council of Ministers come to Parliament to get MEPs' views on the key points. Wednesday's discussion focused on the financial crisis, which is set to be a key point at the EU summit on 28-29 October and the G20 summit in November.

Belgian Secretary of State for European Affairs, Olivier Chastel, was there for the council. He said the key topic for the summit is economic governance. Leaders will consider the results of the Van Rompuy task force, which adopted its final report Monday, with proposals to improve fiscal discipline and economic supervision and to deepen and widen accords on financial and economic cooperation. He said that fast legal action "would send a positive signal that we are prepared to take action."

Mr Chastel said the aim of the G20 Summit will be to promote sustainable and balanced growth and find responses to the global challenges that could damage growth. "The most important test of the G20 will come in coming months when we have to face the risk of losing momentum."

Commission President José Manuel Barroso also focused on the economy. "Economic governance is the cornerstone of EU credibility." In order for the whole package to be up and running by mid-2011 he called on the EP to agree it at first reading and urged EU countries to treat it as matter of urgency.

French Socialist Pervenche Berès, who is drafting the mid-term report from the Special Committee on the Financial, Economic and Social Crisis said the economic crisis will translate into an EU unemployment rate of 11% by the end of the year. She said the EU's strategy must include a financial transaction tax, coordination of national budgets, the creation of a "Mr Euro" and common management of debt. "Reform must be organised around the needs of Europeans," Ms Berès said.

Portuguese Christian Democrat Diogo Feio, author a report on "improving economic governance and stability framework in the EU, in particular in the euro zone", said the EU has been slow to react to the crisis and has not always reacted correctly. His report suggests measures to beef up the stability pact with special emphasis on debt, introduce a credible mechanism to roll back debt, create an EU IMF, improve budget and tax instruments and improve statistics. To achieve this, the EP and national parliaments should coordinate their work better, he said.

The leader of the EPP party Joseph Daul said the key issue for both summits is the need to make the necessary changes for post the financial crisis. The EPP group is in favour of the proposals from the task force to introduce a system of sanctions for Member States who don't respect the stability pact, he said.

He said On G-20 that there were "3 main subjects, reform of the monetary system, stability of food and energy resources and world governance" on which the EP must make its voice heard.

The leader of the Socialist group Martin Schulz attacked the proposals by Angela Merkel and French President Nicolas Sarkozy for "reversing institutional structure" as "an attack on the institutions of the EU".

He called for "sustainable, lasting and strong" growth promised at the Pittsburgh summit which could be translated into a "Manichaean approach where spending is bad and cutting is good". He said the worst hit countries, Ireland and Greece, had been pushed into recession, while speculators are not being taxed and social imbalances are being reinforced. "That is why we insist on a financial transactions tax."

Guy Verhofstadt, the head of the ALDE group said that "what we now urgently need is a deal in the European Council on economic governance and strengthening the stability pact."

There are 3 proposals on the table - from the Commission, the task force and the "casino
"compromise" agreed in Deauville by France and Germany on Tuesday. He criticised the task force proposals as being too slow and said the EP must push for the Commission's more far-reaching goals and "reverse the Deauville deal."

The leader of the Green/EFA group Daniel Cohn-Bendit said that we should "make a difference regarding deficits. There is a positive score and a negative score. A deficit that invests and gives perspective to a country in Europe, it is not negative. If we invest in energy tomorrow, we will win ".

Polish MEP Michał Kamiński (ECR) warned that if we let populism dominated economic thinking we can forget about deepening the Internal Market.

Patrick Le Hyaric for the GUE/NGL group said that instead of austerity measures, improved pay, a new tax system and a major policy on employment were needed. "There should be a social development fund instead of the stability fund" he said. He also said the EU should back a Chinese proposal for an international common currency for international trade.

British MEP Nigel Farage (EFD) addressed Mr Barroso and his recent proposal for a direct tax on financial transactions, referred to a "very successful independence movement" that campaigned on the slogan of "no taxation without representation" reproaching to Barroso that he has not been elected. Mr Barroso pointed out that he had been elected by the EP, which includes Mr Farage.

The G-20

The G-20 was established in 1999 and brings together industrialised and developing economies representing 80% of world trade and two thirds of the world's population. It is made up of the finance ministers and central bank governors of 19 countries plus the EU.
Mid-term review by EP President Jerzy Buzek

Midway through his 2.5 year term of office, EP President Jerzy Buzek Wednesday reviewed progress on the priorities he outlined at the start of his mandate. They include the European energy community, external action, human rights and the budget. He also talked about the EP's role in tackling the economic crisis, the need for solidarity among EU countries and institutional changes, specifically Parliament's increased power after the Treaty of Lisbon.

The crisis: "what our citizens expect most from us politicians is that we overcome the crisis, poverty and social exclusion". He touched on key EP votes on key financial reforms such as the Financial Supervision Package and regulations on limiting bankers' bonuses. He underlined the need for solidarity among EU countries in the context of crisis, noting the EU's help to Greece.

Energy policy is a priority for Mr Buzek: "The main challenge of the 21st century is energy security combined with protection of the environment and cheap prices."

External action: Mr Buzek said he had represented the EP at the G8 and in official visits to China and the US, and was first EP President in 12 years to visit Russia. He said the EP had "negotiated hard with the Council" on the External Action Service "so that this Service is a modern one and represents the community interest of Europe".

He also spoke about the SWIFT agreement as a seminal moment for the EP. "In years to come, historians will look at back at the SWIFT experience, and say, it was that moment that the EP truly acted in the interests of citizens ensuring the correct balance between security and the protection of civil liberties".

Human Rights: "I know that behind me stand 735 defenders of human rights, and behind you stand 500 million more!"

Woman's rights: Quoting Aristotle, he said, "good comes from balance". "We have to guarantee equal participation of women and men in public life."

Institutional changes: Following the Lisbon Treaty "the legislative power of EP has doubled". He spoke of the strengthened responsibility of the other EU institutions to the EP, noting the "monthly question hour with the Commission President" and the reports from the President of the European Council in plenary. Mr Buzek underlined the need to do promote the use of the community method as opposed to the intergovernmental method, still largely used.

The budget: Mr Buzek said that EU budget is crucial. "Our responsibility is to ensure that the 2011 budget helps economic growth...Cuts cannot simply be populist measures - limiting for example resources education, training or research."

Mr Buzek concluded by saying that "peace, stability, prosperity and an open society are not given to us once and for all...It is up to us to shape the 21st century. With colleagues like you, I am not afraid to take this battle on."
MEPs vote for moderate budget for 2011 but demand negotiations about the future

The European Parliament is calling for more EU investment in research, innovation, education and energy, as well as increased support for Palestine, but is sticking to a restrictive overall spending level for next year's EU budget. In Wednesday's vote on the 2011 budget, Parliament also demanded negotiations on new sources of financing for the budget as well as pledges to provide sufficient funding for the new tasks and priorities stemming from the Lisbon Treaty.

The vote is important not only for next year's budget but also for future budgets under the current financial perspective (2007-2013) and thereafter.

For 2011, Parliament proposes an increase in commitments of 0.8% as compared to the 2010 budget. MEPs understand the pressures on Member States' budgets and have therefore broken with their tradition of suggesting a notably larger budget than the Commission has proposed. MEPs agreed on a total of approximately (final figures to come on Thursday) €130 billion in payments and €143 billion in commitments (compared to the Commission's €130.14 billion in payments and €142.56 billion in commitments).

Parliament "understands the concern expressed by some delegations in the Council that the pressures on Member States' budgets are particularly heavy for the financial year 2011 and that savings are all the more necessary", explain MEPs in their resolution.

However, Parliament considers "arbitrary reductions in payment appropriations not to be in line with sound budgeting" and that "arbitrary reductions in commitment appropriations jeopardize the implementation of Union policies and programmes already agreed". This is why MEPs do not support the cuts proposed by the Council.

Mayor increases and cuts per heading

In most budget lines, MEPs restored the Commission's draft budget, after the cuts made by Council. In addition, they adopted other increases and cuts, for example:

• **1a Competitiveness for growth and employment**- MEPs asked for more money for the Lifelong Learning Programme (+€18 million), the Entrepreneurship and Innovation Programme (+€10 million) and Intelligent Energy — Europe programme (+€10 million). To compensate for these increases, MEPs cut the fusion energy research project "ITER" by €47 million.

• **1b Cohesion for growth and employment**- MEPs added a new line, worth €2.5 million, for the Baltic Sea strategy

• **2 Preservation and management of natural resources**- +€300 million for a dairy fund, +€6.7 million for the environment programme Life+ and +€2 million to support for the management of fishery resources

• **3a Freedom security and justice**- +€2.35 million to the Daphne programme for the fight against violence against women and children and +€1 million for prevention of terrorism

• **3b Citizenship**- +€4 million to support the World Special Olympics in Athens (15 05 06) and +€3 million to the Youth in Action programme

• **4 The EU as a global partner**- +€100 million to Palestine, the peace process and UNRWA, compensated by cuts in the Banana accompanying measures (-€18 million), in the Cooperation activities other than Official Development Assistance (-€23.5 million) and in the Common Foreign and Security Policy (CFSP -€45.7 million)

• **5 Administration**- MEPs add money in a reserve, to be paid to employees at the EU institutions in case the Council loses the Court case against the Commission.

All figures are commitments.
Revision of long-term budget framework urgently needed

The resolution points out that the margins in the current long-term budget framework (also called the financial perspective or multiannual financial framework, MFF) are too restrictive. This framework was established for 2007-2013, but does not take account of additional spending as a result of the financial crisis, new policy areas or agreed new tasks stemming from the Lisbon Treaty.

In four new budget lines for "Lisbon mid-term review needs", MEPs ask for a "sufficient level of spending" and "proper involvement of Parliament in the negotiations for a renewed multiannual financial framework".

Opening up discussion on new own resources

Parliament also wants to start talks with the Council about new sources of income for the EU. MEPs ask the Council to open the negotiations on new own resources, adding that this element is a "full part of the overall agreement on the 2011 budget". In addition, they ask the Council and the Commission to "decide on mechanisms to facilitate the transfer of unused appropriations of year N in particular in the context of the revision of the Financial Regulations". Until now, money that is not used has been paid back to the Member States at the end of the year.

Provision for the stability mechanism

The Parliament also wants, by a broad majority, to add two budget lines, one for expenditure and one for revenues, to be created for the EU stabilisation mechanism, which was established by the EU governments after the Greek debt crisis. These lines are still empty, but could be activated if the mechanism is used.

Figures

The final figures, in total and per heading, will be available later - on Wednesday afternoon or Thursday morning.

See link below for table of provisional figures.

Next steps

On 27 October, Parliament and the Council start a conciliation period of 21 days to agree on a joint text. If they can agree, the final budget will be approved in mid-November.

Commitments and payments

For each budget line, there are two different types of budget appropriations: commitments and payments. The commitments refer to how much the EU may commit itself to (e.g. sign a contract or start a tender procedure) in a certain year. The payment level regulates the actual payments being done that year.

There are two budget rapporteurs: Sidonia Jędrzejewska (EPP, PL) is responsible for the European Commission budget, including the EU's operational spending, while Helga Trüpel (Greens/EFA, DE) is leading Parliament's work on the other institutions' budgets.
Extending maternity leave to 20 weeks with full pay

Minimum maternity leave in the EU should be extended from 14 to 20 weeks with full pay, with some flexibility for countries which already have a form of family-related leave, the European Parliament decided on Wednesday. An entitlement to paid paternity leave of at least two weeks was also approved by a majority of Members.

A majority of MEPs voted in favour of extending the minimum maternity leave from 14 to 20 weeks, thus going beyond the European Commission’s proposal to extend it to 18 weeks, in a resolution drafted by Edite Estrela (S&D, PT) and adopted by 390 votes in favour, 192 against and 59 abstentions.

However, Members adopted amendments adding that, when family-related leave is available at national level, the last four weeks of the 20 may be regarded as maternity leave and must be paid at least at 75% of salary.

In October 2008, the Commission proposed to review the current legislation (directive 92/85), as part of the “work-life balance” package, based on ILO Maternity Protection Convention of 2000.

MEPs backed the Commission’s proposal that out of the total maternity leave, six weeks should be taken after childbirth.

Workers on maternity leave must be paid their full salary, which must be 100% of their last monthly salary or their average monthly salary, states the adopted resolution. Under the Commission’s original proposal, workers would receive 100% remuneration during the first six weeks of maternity leave. For the remainder of the leave, the Commission recommended granting full pay. This was not to be a binding provision but the amount paid was to be no less than sick pay.

The draft legislation seeks to lay down minimum rules at EU level. Member States may introduce or keep existing rules that are more favourable to workers than those laid down in the directive.

"Maternity cannot be regarded as a burden on social security systems, it is an investment in our future", said rapporteur Edite Estrela (S&D, PT) during the debate in plenary on Monday.

Paternity leave

Member States are asked to give fathers the right to fully paid paternity leave of at least two weeks within the period of maternity leave. MEPs who opposed this provision argued that paternity leave lies outside the scope of this legislation, which deals with "health and safety of pregnant women".

Employment rights

The Parliament also adopted amendments to ban the dismissal of pregnant workers from the beginning of a pregnancy to at least 6 months following the end of the maternity leave. It also said that women must be entitled to return to their jobs or to "equivalent posts", i.e. a position with the same pay, professional category and duties as before their maternity leave.

Parliament adds that workers must not be obliged to perform night work or work overtime during the 10 weeks prior to childbirth, during the remainder of the pregnancy in cases where the mother or the unborn child have health problems, and during the entire period of breastfeeding.

Procedure: Ordinary legislative procedure, first reading
Rapporteur: Edite Estrela (S&D, PT)
EU diplomatic service: accountability and balanced recruitment

The European Parliament on Wednesday adopted changes to the EU financial regulation, the staff rules and the 2010 budget needed for the European External Action Service to be launched. MEPs have managed to increase Parliament's overview of the service and to ensure that recruitment will respect geographical and gender balances.

The budgeting rules (the "financial regulation") of the European External Action Service (EEAS) were amended to ensure transparency and financial accountability. The amendments include stringent provisions on traceability and budgetary and financial accountability.

Budgetary control and transparency

In budgetary terms, the EEAS will be treated as an EU institution, that is, it will have its own section in the EU budget like other institutions. The budget will require a discharge from the European Parliament. The EP will thus exercise its full budgetary and control powers vis-à-vis the EEAS. The Commission will remain in charge of the service's operational budget.

To ensure budgetary transparency, the Commission must supply Parliament and the Council with a detailed working document setting out all administrative and operational expenditure relating to EU external action, along with the draft EU budget.

Role of heads of delegation

Before taking up their duties, heads of delegation "must complete specific training courses on the tasks and responsibilities of authorising officers and the implementation of the budget". The heads of delegation should "fully cooperate" with Parliament, provide necessary information and may be requested to attend committee meetings.

The budget rules were adopted by 578 votes to 39 with 28 abstentions.

Staff rules to ensure geographical and gender balance

The EEAS staffing rules will be laid down in the compromise text negotiated by Bernhard Rapkay (S&D, DE) on behalf of the EP and approved today by 513 votes to 51 with 98 abstentions.

"We want to have a service that is modern, that is gender balanced", said Bernhard Rapkay. "We need equal rights and equal obligations" for EU officials and staff from the national diplomatic services, and "they must be committed to the EU High Representative, they must be loyal to you", Mrs Ashton, said the rapporteur.

Recruitment or engagement should be directed to securing for the EEAS the services of officials and temporary staff of the "highest standard of ability, efficiency and integrity, recruited on the broadest possible geographical basis from among nationals of Member States", according to amendments to the staff rules. EEAS staff should comprise an "appropriate and meaningful presence of nationals from all the Member States", says the text.

To ensure a gender balance in the new diplomatic service, the agreed text also states that appropriate measures should be taken to promote equal opportunities for the under-represented gender in certain function groups. By mid-2013, the High Representative will table a report on the implementation of this regulation, with a particular emphasis on gender and geographical balance of staff.

Until 30 June 2013, the EEAS will recruit officials from the Council's General Secretariat, the Commission or national diplomatic services. From 1 July 2013, access to EEAS posts should be opened up to officials from other EU institutions, such as the European Parliament. When the EEAS reaches its full capacity, EU officials should represent at least 60% of staff at administrator level and at least one-third of all EEAS staff should come from national diplomatic services.

Budget 2010 changed to make room for the EEAS
MEPs also modified the 2010 budget, on the basis of a report drafted by Roberto Gualtieri (S&D, IT) and László Surján (EPP, HU) and adopted today by 608 votes to 41, with 11 abstentions. The changes include adding a tenth section, with a budget structure and an establishment plan, to the EU budget. A total of 100 new posts and money for 70 contract agents are created, divided between delegations and headquarters. The net financial impact of the amending budget, including the related operating expenditure, is €9.52 million.
Late payments: Parliament approves general 30-day deadline to pay a bill

The standard deadline for paying bills will be 30 days under a deal with the Council endorsed by Parliament in plenary session on Wednesday. The new rules should ensure that small firms no longer face financial problems due to the late payment of bills by public authorities or companies and bolster solvency, innovation and jobs. As a general rule, the deadline for both public and private sectors to pay a bill for goods or services will now be 30 days. For over a year the Parliament has pushed to secure more stringent and clear-cut rules on payment periods. Parliament's negotiators aimed to avoid loopholes and to ensure that any exceptions to the general deadline are restricted to special circumstances.

The agreement, presented to Parliament as a "consolidated amendment" to the report by Parliament's rapporteur Barbara Weiler (S&D, DE), received broad backing from all political groups and was approved with 612 votes in favour, 12 against and 21 abstentions.

"This directive will pave the way for a whole new payment culture. We have aimed to ensure that the rights of the smaller companies are enforced in order to improve liquidity and create a better climate for investments into new jobs", said Ms Barbara Weiler in the debate on Tuesday evening. She stressed that Member States should not wait up to two years to put the new rules into effect, but begin transposing them into their national laws as of January 2011.

The new payment periods

For business-to-business payments the general deadline is 30 days unless otherwise stated in the contract. If both parties agree, it is possible to go up to 60 days. The payment period may be extended beyond 60 days only if "expressly agreed" by the creditor and the debtor in the contract and provided that it is not "grossly unfair" to the creditor.

For public-to-business payments the general deadline is 30 days. If the two parties wish to extend the payment period, this has to be "expressly agreed" and "objectively justified in the light of the particular nature or features of the contract". Parliament fought hard to ensure that under no circumstances may the deadline for public authorities to pay a bill exceed 60 days.

Exemption for public entities providing healthcare

Member states may choose a payment deadline of up to 60 days for public entities providing healthcare. This is because of the special nature of bodies such as public hospitals, which are largely funded through reimbursements under social security systems.

Interest rate, compensation and verification period

Parliament pushed Council to accept a statutory interest rate on overdue payments of the reference rate plus at least 8%. The creditor is also entitled to obtain from the debtor, as a minimum, a fixed sum of € 40, as compensation for recovery costs.

The verification period for ascertaining that the goods or services comply with the contract terms is set at 30 days. This period may be extended in the case of particularly complex contracts, but only if expressly agreed and provided it is not grossly unfair to the creditor. Parliament secured an undertaking that verification periods may not be used as a loophole to delay payment unnecessarily.

Next steps

The agreement now needs to be formally adopted by the Council. The new directive enters into force 20 days after its publication in the EU Official Journal. Member States will then have two years to implement the new measures.
Out of the crisis and towards European economic governance

The financial crisis laid bare the limits of self-regulation, demonstrating the need for strong EU economic governance, surveillance and policy co-ordination, say two non-legislative resolutions voted by Parliament on Wednesday. As Herman Van Rompuy's economic governance task force unveils its own plans, MEPs approved their own contribution to the EU economic governance debate, which is set to feature high on the October European Council agenda.

In a resolution on measures and initiatives to combat the financial crisis, MEPs call for a strong pan-European and global regulatory and supervisory system which leaves no financial market, instrument or institution off the record book. The resolution on economic governance broadly backs the Commission's legislative proposals, but goes further on, inter alia, a permanent European monetary fund, European bonds, and the need to tackle budget surpluses as well as deficits.

In a debate before the vote, French MEP Pervenche Berès (S&D), who steered the financial crisis resolution through the Parliament, urged the Council and the Commission to "join forces with the European Parliament, because they have collective responsibility" for finding the way out of the crisis. "We have to rely on our own resources," be it in the field on energy or financial resources, she said, defending the idea of introducing a financial transaction tax. She nonetheless admitted that "no reform can be applied against the will of the Member States", called for "serious European mobilisation so that people can once again trust in the European project".

Diogo Feio (EPP, PT), who drafted the economic governance resolution, criticized Member States for so far having given too little attention to Parliament's stance on economic governance. "Be assured that the Parliament will be sticking to its main objectives throughout the negotiations on the six legislative proposals the Commission has proposed for reforming economic governance", he warned. This position was strongly supported by several EP political group leaders in the debate which followed.

Making the Stability and Growth Pact work effectively

The financial crisis resolution stresses the importance of bringing EU Member States' deficits under control, deplores the poor enforcement of the Stability and Growth Pact and calls for more effective incentives and sanctions to ensure compliance.

To spur recovery, the EU should also implement the EU 2020 strategy consistently and complete the single market. Special attention should also be paid in the coming years to projects in areas such as energy, research and innovation or health and education, the resolution goes on to say.

Mr/Ms Euro to chair ECOFIN Council and Eurogroup

Furthermore, to ensure that the EU economic activity is consistent, MEPs propose that responsibility for economic and monetary affairs be entrusted to one of the Commission's Vice-presidents. This "Mr or Ms Euro" should chair the Economic and Financial Affairs Council and the Eurogroup and represent the EU on relevant international bodies. This would allow the European Union to speak with a stronger and more coherent voice on international level, say MEPs.

Financial transaction tax to limit the speculation

Implementing a strong "exit" strategy which also provides the funding necessary for many measures will require appropriate financial resources at EU level, the resolution goes on to note. MEPs therefore call for the introduction of a tax on financial transactions. This would reduce speculation, thus improving the functioning of the market, and revenue from this tax would help to finance global public goods and reduce public deficits. Finally, such a tax ought to apply as broadly as possible, but, failing that, it should, as a first step, be applied at least at EU level.
Competitiveness at the heart of economic governance

The economic governance resolution recommends that countries running large surpluses, and not just those with large deficits, which should be required to make adjustments as a result of the detailed country-by-country surveillance to be established. Furthermore, the excessive debt sanctions system should account of each country's specific circumstances and allow for different debt-recovery timetables, it adds.

Permanent European Monetary Fund

The resolution also calls for a permanent European Monetary Fund to be established, based on a Commission analysis, so as to make the current European Financial Stability Facility permanent. The Commission is also asked to assess the feasibility of a system for issuing European bonds.

Parliament's role in legitimising EU economic co-ordination

Finally, the national budget vetting procedures provides for an enhanced role for the European Parliament in raising awareness, visibility and accountability of steps being taken by EU institutions to better co-ordinate budgetary and economic policies.